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UNITED STATES DEPARTMENT OF AGRICULTURE
PRODUCTION AND MARKETING ADMINISTRATION

DAILY BEANCH

INSERTS
FOR
SUMMARIES
FLUID MILK MARKETING ORDERS



Revised to March 1, 1952

and

Federal Register Citations
for the Milk Price Orders

The attached are inserts to be substituted for the corresponding pages in the Summaries of Fluid Milk Marketing Orders, April 1, 1948, and Federal Register Citations for the milk price orders. These inserts revise the Federal orders as effective on March 1, 1952. The last insert was issued on January 1, 1952.

Agriculture - Washington

on the form held at, or moved from, the plant to which it is shipped (without limit on the number of interplant movements which may take place in these forms prior to classification), subject to special conditions specified in the order.

Class I-A - Milk, concentrated fluid milk, fluid milk products, and cultured or flavored milk drinks containing 3.0 percent to 5.0 percent of butterfat (except those classified in I-B or I-C) and all milk the classification of which is not otherwise established.

Class I-B - All Class I-A products delivered to a plant or purchaser in an area regulated by another Federal order and not received at a plant in the marketing area except as an incident to its transportation and delivery to a point outside the marketing area provided that use aboard a ship or other carrier shall not constitute such delivery.

Class I-C - All Class I-A products which are delivered to a plant or purchaser in an area not under Federal regulation and not received at a plant in the marketing area except as an incident to its transportation and delivery to a point outside the marketing area provided that use aboard a ship or other carrier shall not constitute such delivery.

Class II - Cream, sweet or sour, fluid cream products, and cultured or flavored milk drinks containing less than 3.0 percent or more than 5.0 percent of butterfat sold in the marketing area, except products classified in another class.

Class III - Storage cream, all milk that leaves the plant in the form of products mentioned in other classes if such products have been sterilized and leave the plant in hermetically sealed containers, concentrated fluid milk not at any time packaged in consumer packages, and all other products not in some other class.

Class Prices (3.5 percent butterfat):

Class I-A - Price is computed in accordance with the following formula:

- (1) Multiply a base price of \$5.66 by the monthly wholesale price index for all commodities in the second preceding month as reported by the Bureau of Labor Statistics, United States Department of Labor (1948 equals 100, i.e., the index with 1947-49 as base period divided by the average of the monthly indexes reported on the same base for the year 1948 except that the quotient can not be less than 1.068 or more than 1.088 in March and April 1952.)

- (2) Determine monthly "utilization percentages" as follows:

MILK ORDER NO. 34

Lowell-Laurence, Massachusetts

Marketing Area:

The following cities and towns in Massachusetts:

Andover	Haverhill	North Andover
Billerica	Laurence	Tewksbury
Chelmsford	Lowell	Tyngsboro
Dracut	Ferrisburg	Westford
Groveland	Hethen	West Newbury

Handler:

Person who operates a pool plant, or any other plant from which fluid milk products (i.e., milk flavored milk, concentrated milk, cream, skim milk, flavored skim milk, cultured skim milk, or buttermilk) are disposed of directly or indirectly in the marketing area.

Pool Plant:

A plant is a pool plant if it meets certain specified conditions relating to the proportion of dairy farmers who hold Massachusetts certificates of health approval, the proportion of the handler's milk which is disposed of as Class I milk in the marketing area or is shipped in the form of milk to city plants, and the holding of a license by the handler to sell milk in the marketing area. Plants of producer-handlers and pool plants under the Boston, Worcester, or Springfield orders are barred from being Lowell-Laurence pool plants.

Producer:

Person whose milk is delivered from his farm to a pool plant, except a "dairy farmer for other markets" and a dairy farmer with respect to his delivery of "exempt milk." The term also includes a dairy farmer who ordinarily delivers to a handler's pool plant but whose milk is temporarily diverted to another plant, if the handler reports the milk as being delivered to the pool plant. A "dairy farmer for other markets" is a dairy farmer whose milk is received at a pool plant during March through September from a farm from which the handler or an affiliate received nonpool milk on more than three days in any one of the preceding months of October through February. "Exempt milk"

Outside Purchases:

Receipts of fluid milk products from plants subject to the Boston order are assigned to the class in which they are classified under that order, and receipts from New York order pool plants are assigned to Class I milk if classified in Class I-A or Class I-B under the New York order. Receipts of fluid milk products other than cream from plants subject to the Worcester or Springfield orders are assigned to Class I except that if shipper and receiver mutually request Class II classification and assignment, such receipts are assigned to Class II milk up to receiver's total Class II use of fluid milk products other than cream.

Under the assignment sequence specified in the order, receipts of "outside milk" are sometimes assigned to Class I milk, but such receipts are always credited to the handler at the Class II price. In effect, therefore, the handler must pay into the pool the difference between the Class I and Class II prices, on "outside milk" assigned to Class I.

Handlers who receive Class I milk from a New York, Boston, Worcester, or Springfield order plants pay into the producer settlement fund on such Class I milk the amount by which the Class I price under this order, adjusted for location and butterfat differentials, exceeds the Class I price under the other order adjusted for location and butterfat differentials.

Outside Sales:

Fluid milk products, except cream, which are moved to an unregulated plant (and also to a producer-handler's plant) are classified as Class I milk up to the total Class I uses of the same form of product at the unregulated plant. Movements to plants subject to the Boston, Worcester, or Springfield orders are classified in the class to which they are assigned under those orders. Fluid milk products, other than cream, which are re-transferred from an unregulated plant to another such plant are classified as Class I, except in cases involving Boston, Worcester, or Springfield plants. Milk sold outside the marketing area is priced the same as milk sold in the marketing area except that any penalty payments incurred on sales classified as outside milk under the Boston order are deducted from the handler's obligation hereunder.

Producer-handler:

A person who is both a handler and a dairy farmer and who receives no milk other than cream milk from other dairy farmers except producer-handlers, makes payments into the producer-settlement fund under specified conditions (see "Special Handler Provisions").

Expense of Administration:

Each handler pays the pro rata expense of administration at a rate not in excess of 4 cents per hundredweight on milk

received from producers, including his own production, and on his receipts of outside milk (except receipts of outside milk from other Federal order plants). Receipts from other Federal order plants are assessed at a rate by which the rate under this order exceeds the rate under the other order.

Special Producer Provisions:

Deductions as authorized by members are turned over to cooperative associations.

A marketing service charge not to exceed 3 cents is deducted for non-members.

Handlers are required to furnish producers with statements showing the quantity of milk delivered, payment rates, and the details and amounts of any deductions.

Advance payments are required on the 10th day after each month for the approximate value of milk delivered during the first 15 days of such month. Such payments in no event may be less than the Class II price. Handlers who make final payment on or before the 17th day after the end of a month are not required to make advance payments.

Special Handler Provisions:

"Exempt" milk (i.e., milk of a dairy farmer's own production or milk from a nonpool plant which is delivered in bulk to a plant for packaging) when received by a handler is not priced or pooled under the order.

- (3) Disposed of as bulk skim milk to manufacturers of candy, soup, or bakery products who do not dispose of milk in fluid form; and
- (4) Plant shrinkage not over 2 per cent of producer milk and actual plant shrinkage of "other source" milk.

Class Prices (3.5 per cent butterfat):

A "basic formula" price is used for Class I, Class II, and Class III prices. The "basic formula" price is the highest of:

- (1) Average of prices paid for 3.5 per cent milk at 18 specified plants (see list used for "basic formula" price in Chicago order),
- (2) 92-score butter at Chicago, multiplied by 6,
PLUS
2.4 times the average price per pound of "Twins" at Plymouth, Wisconsin (or "Cheddars"), divided by 7, times 1.3, times 3.5,
- (3) Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, times 3.5, plus an amount computed as follows:
Price per pound of nonfat dry milk solids (spray and roller process, human consumption, carlots, f.o.b. Chicago area plants), minus 5.5 cents, times 8.5, times .965.

Class I - "Basic formula" price plus the following amounts:

<u>Huntington District plants</u>	<u>Other plants</u>
1.35	1.15

If, during the 12-month period preceding September, the quantity of producer milk classified as Class III is less than 12 per cent of milk received from producers at either Huntington District plants or at all fluid milk plants, the price of Class I milk is increased 25 cents per hundredweight. If, during the 12-month period preceding March of any year the quantity of producer milk classified as Class III is more than 18 per cent of total receipts from producers at either Huntington District plants or at all fluid milk plants, the Class I price during the following April, May, June, and July is decreased 25 cents per hundredweight.

The price for Class I milk during the months of October through January is not lower than the price for the preceding September and the Class I price for April through July is not higher than the price for the preceding March.

Huntington District is portion of marketing area within cities of Ashland, Kentucky; Huntington, West Virginia; and Ironton and Gallipolis, Ohio.

Class II - "Basic formula" price plus the following amounts:

<u>Huntington District</u> <u>plants</u>	<u>Other</u> <u>plants</u>
1.05	0.85

The Class II price is adjusted by 25 cents per hundredweight at the same time and under the same conditions as the Class I price (see Class I price).

The price for Class II milk during the months of October through January is not lower than the price for the preceding September and the Class II price for April through July is not higher than the price for the preceding March.

Class III - "Basic formula" price.

Butterfat Differentials:

Class I - Price per pound of Chicago 92-score butter, times 1.2, divided by 10, plus one cent.

Class II - Class I differential minus one-half cent.

Class III - Class I differential minus one cent.

Producer price - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Location Differentials:

None

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Nashville, Tennessee

Marketing Area:

Davidson County, Tennessee.

Handler:

Person who operates a fluid milk plant, i.e., a plant where producer milk is received, processed, or packaged and from which some milk is disposed of as Class I milk in the marketing area. A cooperative association is also a handler with respect to producer milk diverted from a fluid milk plant to another plant for the account of the association.

Producer:

A person who produces milk under inspection permit issued by a health authority in the marketing area and whose milk conforms to the standards for milk for use in fluid form and which is received at a fluid milk plant or is diverted from such a plant to another plant.

Classification:

Class I - Skim milk and butterfat disposed of as fluid milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream, eggnog, yogurt, any other product required by the Nashville Health Department to be made from approved milk, and all skim milk and butterfat not specifically accounted for as Class II milk.

Class II - Skim milk and butterfat used to produce items other than those specified under Class I, inventory variations, milk disposed of for livestock feed, and plant shrinkage. Shrinkage attributable to receipts from producers is limited to 3 per cent of receipts from producers.

Class Prices (4.0 per cent butterfat):

"Basic formula" price - The highest of the following prices, all for the preceding delivery period:

- (a) The average of prices paid at 12 condenseries (see list under Chicago order) for 3.5 per cent milk adjusted to 4.0 per cent by the application of the producer price butterfat differential, or

- (b) 92-score butter at Chicago, times 6,

PLUS

2.4 times the price per pound of "Twins" ("Cheddars" if "Twins" not quoted) at Plymouth, Wisconsin, divide the sum by 7, add 30 percent thereof, and multiply by 4, or

- (c) 92-score butter at Chicago, times 4, times 1.2

PLUS

3-3/4 cents for each 1/2 cent that the price per pound of nonfat dry milk solids (carlots, spray and roller process, human consumption, f.o.b. manufacturing plants in the Chicago area) exceeds 5 cents. In the event plant prices are not available use Chicago market quotations and a "make allowance" of 6 cents.

- (d) The price for Class II milk.

Class I - "Basic formula" price plus \$1.25, subject to a "supply-demand" adjustment computed from a "current utilization percentage", i.e. the percentage which producer receipts are of Class I sales during the first and second preceding months. From this is subtracted the following base period utilization percentage:

<u>Delivery Period</u>	<u>Percent</u>	<u>Delivery Period</u>	<u>Percent</u>	<u>Delivery Period</u>	<u>Percent</u>
January	109	May	132	September	140
February	111	June	145	October	128
March	113	July	147	November	115
April	119	August	144	December	109

The resulting "net deviation" determines the specific price adjustment in accordance with a schedule, at the rate of 2 cents per one percent of deviation.

There is also a contraseasonal provision requiring that the Class I price differential, inclusive of the supply-demand adjustment, during May, June, and July shall not be more than in April and in November, December, and January not less than in October

Class II - Average of prices paid or to be paid for 4 per cent milk delivered at the following plants:

Cudahy Packing Co.,	Lafayette, Tennessee
Carnation Co.,	Murfreesboro, Tennessee
Eraft Foods Co.,	Gallatin, Tennessee
Borden Co.,	Lafayetteville, Tennessee
Swift and Co.,	Lebanon, Tennessee
Borden Co.,	Lewisburg, Tennessee
Eraft Foods Co.,	Pulaski, Tennessee
Lakeshire-Carty Cheese Co.,	Carthage, Tennessee
Swift and Co.,	Lawrenceburg, Tennessee
Wilson and Co.,	Murfreesboro, Tennessee

Butterfat Differentials:

Class I Price - 92-score butter at Chicago multiplied by 0.130.

Class II Price - 92-score butter at Chicago multiplied by 0.115.

Producer Price - 92-score butter at Chicago multiplied by 0.120.

Location Differentials:

None.

Method of Accounting for Milk:

Weights of butterfat and skim milk are computed separately for each class. Upon completion of classification the average butterfat content of each class is determined for purposes of pricing.

If a handler accounts for more milk disposed of (after making adjustments for receipts from other handlers, etc.) than he accounts for as received from producers, the value of such additional milk is included in the handler's total obligation.

Type of Pool:

Market-wide, monthly pool with base rating plan. There is no new producer clause.

Interhandler Transfers:

Skim milk or butterfat transferred or diverted to a producer-handler in the form of any Class I product is Class I, or to a fluid milk plant is also Class I unless other utilization is indicated in writing by both handlers and provided that "other source" milk be first allocated to Class II at the receiving plant.

Outside Purchases:

"Other source" milk is deducted in series beginning with Class II milk.

Outside Sales:

Milk sold outside the marketing area is priced on the same basis as milk disposed of in the marketing area.

Skim milk or butterfat transferred or diverted to a nonfluid milk plant less than 85 miles from the City Hall is Class I unless other utilization is proved to the satisfaction of the market administrator. If transferred or diverted in the form of any Class I product more than 85 miles it is Class I except that cream may be so shipped as Class II under specified conditions.

Producer-handler:

A person who is both a producer and a handler but who receives no milk from other producers, is exempt from regulatory provisions. Reports may be required from such a handler by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 4 cents per hundredweight. The administrative assessment applies to milk received from producers (including the handler's own production) and to "other source" milk allocated to Class I.

Special Producer Provisions:

Deductions as authorized by members, are turned over to cooperative associations. A marketing service charge not to exceed six cents per hundredweight is deducted for non-members.

Payments on account are made by the market administrators on or before the last day of each month to producers for milk delivered during the first 15 days of the month at not less than the Class II price for the preceding month.

Upon request by a cooperative association the market administrator is required to make partial and final payments to the association for milk delivered by association members.

Bases are established by average daily deliveries during September through February (using not less than 120 days to compute the average) and apply March through August.

FEDERAL MILK ORDER NO. 96

Springfield, Massachusetts

Marketing Area:

The following cities and towns in Massachusetts:

Agawan	Northampton
Chicopee	South Hadley
Easthampton	Springfield
East Longmeadow	Westfield
Holyoke	West Springfield
Longmeadow	Wilbraham
Ludlow	

Handler:

Person who, in a given month, operates a pool plant or any other plant from which fluid milk products are disposed of, directly or indirectly, in the marketing area.

Pool Plant:

A plant is a pool plant under specified conditions relating to the proportion of dairy farmers delivering to the plant who hold certificates of health approval, the proportion of the handler's Class I milk which is disposed of in the marketing area, the holding of a license by the handler under Chapter 94, Section 40, of the Massachusetts General Laws. Conditions are also set forth by which a pool plant may lose such designation.

Producer:

Person, other than a producer-handler, whose milk is delivered from his farm to a pool plant or diverted from such plant, except a "dairy farmer for other markets" and a dairy farmer with respect to his delivery of "exempt milk." A "dairy farmer for other markets" is one whose milk is received at a pool plant during March through September from a farm from which the handler or an affiliate received nonpool milk on more than 3 days in any one of the preceding months of October through February. "Exempt milk" is milk from an unregulated plant or from a dairy farmer's own production which is delivered in bulk to a plant for packaging.

Classification:

Class I - All milk and milk products, the utilization of which is not established as Class II.

- (b) The price for any of the months of March through June shall not be higher, and the price for any of the months of September through December shall not be lower, than the price for the preceding month.
- (c) Prices are adjusted for changes in rail tariffs for carlots, tank cars, at the 201-210 mile zone.

Class II -

- (1) Boston 40 per cent cream price per 40-quart can, divided by 33, times 0.98, times 3.7 (If cream price is not reported, add to the butter value the average difference between the cream price and butter value during the preceding three months, the butter value being the price of 92-score at Chicago times 1.22, times 33.)
- (2) Multiply by 7.85 the average price per pound of nonfat dry milk solids, (spray and roller process, human consumption, carlots, f.o.b. Chicago area manufacturing plants) for the period from the 26th day of the preceding month to the 25th day of the current month.

From the sum of (1) and (2) above subtract the following amounts:

<u>Month</u>	<u>Amount (Cents)</u>
January and February	67
March and April	79
May and June	35
July	79
August and September	73
October, November, and December	67

These "handlers' allowances" are subject to reduction, (for each month following the first month in which such reduction would amount to 5 cents) by any amount by which the U. S. average price paid for milk for manufacturing, adjusted to 3.7 per cent butterfat content, during the preceding 12 months exceeded the average of Class II prices for Boston, (201-210 mile zone) during the same 12 months.

Butterfat Differentials:

Class Prices - No specific butterfat differential; in effect the producer differential applies.

Producer Price - Boston 40 per cent cream price per 40-quart can for the period from the 16th day of the preceding month to the 15th day of the current month divided by 33, subtract 1.5 cents and divide the result by 10. If the cream price is not available, use an equivalent price, based on butter price quotations for the split-month period, computed in the same manner as for the Class II price.

Location Differentials:Class Prices -

The following is an abbreviated table of differentials in effect on October 1, 1951. The location differentials are subject to automatic changes if rail tariffs on milk or cream change:

<u>Zone (Miles)</u>	<u>Class I price differentials (cents per cwt.)</u>	<u>Class II price differentials (cents per cwt.)</u>
51 - 60	- 42.5	- 3.0
101 - 110	- 45.5	- 4.5
151 - 160	- 52.0	- 6.0
201 - 210	- 56.0	- 7.0
251 - 260	- 62.5	- 8.0
291 - and over	- 65.5	- 8.0

Producer Price - Graduated in the same manner as Class I except that nearby location differentials of 46 cents and 23 cents per hundredweight are added for milk delivered by producers whose farms are located in certain cities, towns, and counties near to the marketing area. Such nearby location differentials, however, are limited to an amount such that the producer price is not in excess of the Class I price.

Method of Accounting for Milk:

Weight of milk or fluid milk products used in the products of each class.

Type of Pool:

Market-wide monthly pool without base rating plan or new producer clause. Provision is made for charging interest at the rate of $\frac{1}{2}$ of 1 per cent per month on accounts due to or from the producer settlement fund which remain unpaid after specified dates.

Interhandler Transfers:

Fluid milk products other than cream are classified in accordance with assignment or actual utilization respectively if moved to another pool plant or if moved to a buyer-handler's plant. Cream and milk products other than fluid milk products if moved to another plant are classified as Class II.

Outside Purchases:

Receipts of fluid milk products from plants subject to the Boston order are assigned to the class in which they are classified under that order. Receipts from New York order pool plants are assigned to Class I milk if classified in Class I-A or I-B under that order. Receipts from plants subject to the Worcester or Lowell-Lawrence orders are assigned to Class I except that if the shipper and the receiver mutually request Class II classification and assignment such receipts are assigned to Class II milk up to the receiver's total Class II uses of fluid milk products other than cream.

Under the assignment sequence specified in the order, receipts of "outside milk" are sometimes assigned to Class I milk, but such receipts are always credited to the handler at the Class II price. In effect, therefore, the handler must pay into the pool the difference between the Class I and Class II prices, on "outside milk" assigned to Class I.

handlers who receive Class I milk from a New York, Boston, Lowell-Lawrence or Worcester order plant pay into the producer settlement fund on such Class I milk the amount by which the Class I price under this order, adjusted for location and butterfat differentials exceeds the Class I price under the other order adjusted for location and butterfat differentials.

Outside Sales:

Milk moved to a producer-handler's plant or to any unregulated plant except one subject to the New York, Boston, Lowell-Lawrence or Worcester orders is classified as Class I. Movements to plants subject to such orders are classified in the class to which assigned under the other orders. Movements assigned to Class I-A, I-B, or I-C under the New York order are classified in Class I under this order. Milk assigned to other classes under the New York order is classified as Class II under this order. Milk retransferred after movement to a regulated plant of a nonpool handler or to an unregulated plant except one subject to the New York, Boston, Lowell-Lawrence or Worcester orders is classified as Class I. Outside sales of Class I milk are priced the same as sales in the marketing area.

Producer-handler:

A person who is both a handler and a dairy farmer and who receives no milk except "exempt milk" from other dairy farmers except producer-handlers makes payments into the producer-settlement fund under specified conditions (see "Special Handler Provisions").

Expense of Administration:

Each handler pays the pro rata expense of administration at a rate not in excess of 4 cents per hundredweight on milk received from producers including his own production and on his receipts of outside milk (except receipts of outside milk from other Federal order plants), and on "exempt milk" processed at a regulated plant. Receipts of fluid milk products, except cream, from other Federal order plants are assessed at a rate by which the rate under this order exceeds the rate under the other order.

Special Producer Provisions:

Deductions as authorized by members are turned over to cooperative associations. A marketing service charge not to exceed 3 cents per hundredweight is deducted for non-members.

Advance payments are required on the 10th day after each month for the approximate value of milk delivered during the first 15 days of such month. Such payments in no event may be less than the Class II price. Handlers who make final payment on or before the 17th day after the end of a month are not required to make advance payments.

Special Handler Provisions:

"Take out" milk (i.e., milk of a dairy farmer's own production or milk from a nonpool plant which is delivered in bulk to a plant for packaging) when received by a handler is not priced or pooled under the order.

FEDERAL MILK PROCESSING ACT

Worcester, Massachusetts

Marketing Area:

The following cities and towns in Massachusetts:

Ashburn	Paxton
Boylston	Uxbridge
Clinton	Shrewsbury
Drafton	Spencer
Holliston	West Boylston
Leicester	Worcester
Millbury	

Handler:

Person who, in a given month, operates a pool plant or any other plant engaged in the handling of milk or other fluid milk products received at plants from which fluid milk products are disposed of, directly or indirectly, in the marketing area.

Pool Plant:

A plant is a pool plant under specified conditions relating to the proportion of dairy farmers delivering to the plant who hold certificates of health approval, the proportion of the handler's Class I milk which is disposed of in the marketing area, the holding of a license by the handler under Chapter 94, Section 10, of the Massachusetts General Laws. Conditions are also set forth by which a pool plant may lose such designation.

Producer:

Person, other than a producer-handler, whose milk is delivered from his farm to a pool plant or diverted from such plant, except a "dairy farmer for other markets" and a dairy farmer with respect to his delivery of "exempt milk." A "dairy farmer for other markets" is one whose milk is received at a pool plant during March through September from a farm from which the handler or an affiliate received nonpool milk on more than 3 days in any one of the preceding months of October through February. "Exempt milk" is milk from an unregulated plant or from a dairy farmer's own production which is delivered in bulk to a plant for packaging.

Producer Price - Boston 40 per cent cream price per 40 quart can for the period from the 16th day of the preceding month to the 15th day of the current month divided by 33, subtract 1.5 cents and divide the result by 10. If the cream price is not available, use an equivalent price, based on butter price quotations for the split-month period, computed in the same manner as for the Class II price.

Location Differentials:

Class Prices -

The following is an abbreviated table of differentials in effect on October 1, 1951. The location differentials are subject to automatic change if rail tariffs on milk or cream change.

<u>Zone</u> <u>(Miles)</u>	<u>Class I price</u> <u>differentials</u> <u>(cents per cwt.)</u>	<u>Class II price</u> <u>differentials</u> <u>(cents per cwt.)</u>
51-60	- 42.5	- 3.0
101-110	- 45.5	- 4.5
151-160	- 52.0	- 6.0
201-210	- 56.0	- 7.0
251-260	- 62.5	- 8.0
271 and over	- 65.5	- 8.0

Producer Price - Graduated in the same manner as Class I except that nearby location differentials of 40 cents per hundredweight are added for milk delivered by producers whose farms are located in six Massachusetts counties. Such nearby location differentials, however, are limited to an amount such that the producer price is not in excess of the Class I price.

Method of Accounting for Milk:

eight of milk or fluid milk products used in the products of each class.

Time of Pool:

market-wide monthly pool without base rating plan or new producer clause. Provision is made for charging interest at the rate of 1/2 of 1 per cent per month on accounts due to or from the producer settlement fund which remain unpaid after specified dates.

Interhandler Transfers:

Fluid milk products other than cream are classified in accordance with assignment or actual utilization respectively if moved to another pool plant or if moved to a buyer-handler's plant. Cream and milk products other than fluid milk products, if moved to another plant, are classified as Class II.

Outside Purchases:

Receipts of fluid milk products from plants subject to the Boston order are assigned to the class in which they are classified under that order. Receipts from New York order pool plants are assigned to Class I milk if classified in Class I-A or I-B under that order. Receipts from plants subject to the Worcester or Lowell-Laurence orders are assigned to Class I except that if the shipper and the receiver mutually request Class II classification and assignment such receipts are assigned to Class II milk up to the receiver's total Class II uses of fluid milk products other than cream.

Under the assignment sequence specified in the order, receipts of "outside milk" are sometimes assigned to Class I milk, but such receipts are always credited to the handler at the Class II price. In effect, therefore, the handler must pay into the pool the difference between the Class I and Class II prices, on "outside milk" assigned to Class I.

Handlers who receive Class I milk from a New York, Boston, Lowell-Laurence, or Springfield order plant pay into the producer settlement fund on such Class I milk the amount by which the Class I price under this order, adjusted for location and butterfat differentials, exceeds the Class I price under the other order adjusted for location and butterfat differentials.

Outside Sales:

Milk moved to a producer-handler's plant or to any unregulated plant except one subject to the New York, Boston, Lowell-Laurence or Springfield orders is classified as Class I. Movements to plants subject to such orders are classified in the class to which assigned under the other orders. Movements assigned to Class I-A, I-B, or I-C under the New York order are classified in Class I under this order. Milk assigned to other classes under the New York order is classified as Class II under this order. Milk retransferred after movement to a regulated plant of a nonpool handler or to an unregulated plant except one subject to the New York, Boston, Lowell-Laurence or Springfield orders is classified as Class I. Outside sales of Class I milk are priced the same as sales in the marketing area.

Producer-Handler:

A person who is both a handler and a dairy farmer and who receives no milk except "exempt" milk from other dairy farmers except producer-handlers, makes payments into producer settlement fund under specified conditions (see "Special Handler Provisions").

Expense of Administration:

Each handler pays the pro rata expense of administration at a rate not in excess of 4 cents per hundredweight on milk received from producers including his own production and on his receipts of outside milk (except receipts of outside milk from other Federal order plants), and on "exempt milk" processed at a regulated plant. Receipts of fluid milk products, except cream, from other Federal order plants are assessed at a rate by which the rate under this order exceeds the rate under the other order.

Special Producer Provisions:

Deductions as authorized by members are turned over to cooperative associations. A marketing service charge not to exceed 3 cents per hundredweight is deducted for non-members.

Advance payments are required on the 10th day after each month for the approximate value of milk delivered during the first 15 days of such month. Such payments in no event may be less than the Class II price. Handlers who make final payment on or before the 17th day after the end of a month are not required to make advance payments.

"Exempt" milk (i.e., milk of a dairy farmer's own production or milk from a nonpool plant which is delivered in bulk to a plant for packaging) when received by a handler is not priced or pooled under the order.

- (3) Price per pound of 92-score butter at Chicago times 6, plus 2.4 times the price per pound of "Cheddars" at Plymouth, Wisconsin, divide by 7, multiply by 1.3, and multiply by 3.5.
- (4) Average of prices paid for 3.5 per cent milk at the following plants:

Kraft Cheese Company,	Clare, Michigan
Fairmont Foods Company,	Bad Axe, Michigan
Carnation Milk Company,	Sheridan, Michigan
Grand Lodge Milk Company,	Grand Lodge, Michigan
Pet Milk Company,	Hudson, Michigan

Class I - "Basic formula" price plus 1.35.

The Class I price is subject to a supply-demand adjustment computed from the percentage which total receipts of producer milk are of Class I utilization in the second and third months preceding the delivery month. A price adjustment is made whenever such utilization percentage differs by specified amounts from the average percentages of the two corresponding months in the following table:

January - 122.5	May - 159.3	September - 140.6
February - 126.5	June - 167.5	October - 131.0
March - 134.1	July - 149.8	November - 123.4
April - 144.3	August - 145.5	December - 125.9

The adjustment is 15 cents (plus or minus) if the current utilization percentage varies from those tabulated by 7.5 per cent or more and an additional 15 cent adjustment is made for each 5 per cent additional variation, provided that any adjustment in a given month shall not be in an opposite direction to that in the previous month unless utilization varies by an additional 0.5 percentage point.

Class II - The higher of the following for the current month:

- (1) Price per pound of 92-score butter at Chicago times 1.2, times 3.5, plus 8.2 times price per pound of nonfat dry milk solids (carlots, spray and roller process, for human consumption, f.o.b. manufacturing plants in the Chicago area), minus 62.6 cents.
- (2) Local plant price - alternative "(4)" of "basic formula."

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ALBANY CITY - ORDER NO. 13

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 67	1/4/51	Order, as amended Amendment No. 3
16 FR 11050	10/31/51	

ALBANY CITY - ORDER NO. 18

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
15 FR 6533	9/28/50	Order

ALBANY CITY - ORDER NO. 21

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 1225	2/9/51	Order Amendment
16 FR 12176	12/1/51	

ALBANY CITY - ORDER NO. 24

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 6341	6/30/51	Order Amendment
17 FR 1575	2/21/52	

ALBANY CITY - ORDER NO. 25

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 3631	4/22/51	Order Amendment
16 FR 8316	8/31/51	

ALBANY CITY - ORDER NO. 27

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 12851	12/22/51	Order, as amended Amendment
17 FR 1743	2/28/52	

(Rev. 3/1/52)

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WINDY HILL - ORDER NO. 28

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 11051	10/31/51	Order

WINDY HILL - ORDER NO. 29

16 FR 5037	5/30/51	Order
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WINDY HILL - ORDER NO. 30

16 FR 6120	7/3/51	Order, as amended
16 FR 10049	10/3/51	Amendment No. 9

WINDY HILL - ORDER NO. 31

16 FR 7343	7/27/51	Order
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WINDY HILL - ORDER NO. 32

12 FR 1538	3/7/47	Order, as amended
13 FR 2307	4/29/48	Amendment No. 1
13 FR 3196	6/12/48	Amendment No. 2
15 FR 3307	5/30/50	Amendment No. 3
16 FR 11095	11/1/51	Amendment No. 4

WINDY HILL - ORDER NO. 34

16 FR 9671	9/22/51	Order, as amended
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DEI-STATE - ORDER NO. 72

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
11 FR 12926	11/1/46	Order, as amended
11 FR 13622	11/21/46	Order suspending certain provisions
12 FR 14243	7/1/47	Amendment No. 1
13 FR 1662	3/31/48	Order suspending certain provisions
13 FR 2330	4/30/48	Amendment No. 2
13 FR 7295	11/30/48	Amendment No. 3
14 FR 2783	5/27/49	Amendment No. 4
14 FR 7057	11/23/49	Order suspending certain provisions
16 FR 281	1/31/51	Amendment No. 5
16 FR 10058	10/3/51	Amendment No. 6
17 FR 1790	2/29/52	Order suspending certain provisions

DEI-STATE PA 1 - ORDER NO. 73

15 FR 5326	8/15/50	Order, as amended
16 FR 7583	8/3/51	Order suspending certain provisions

DEI-STATE - ORDER NO. 74

15 FR 1462	8/3/50	Order, as amended
16 FR 6362	6/30/51	Amendment No. 5

DEI-STATE - ORDER NO. 75

15 FR 5878	8/31/50	Order, as amended
16 FR 6362	6/30/51	Amendment No. 5

DEI-STATE - ORDER NO. 77

16 FR 8431	8/23/51	Order, as amended
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(Rev. 3/1/52)

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WASHTON - ORDER NO. 78

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 12607	12/14/51	Order

TOPICA - ORDER NO. 80

12 FR 8377	12/13/47	Order
13 FR 7704	12/14/48	Amendment No. 1
16 FR 11057	10/31/51	Amendment No. 2

KNOXVILLE - ORDER NO. 83

16 FR 7447	7/31/51	Order, as amended
16 FR 10930	10/27/51	Amendment No. 4

MOCKINGBIRD - ORDER NO. 91

14 FR 4782	7/30/49	Order
15 FR 4185	6/30/50	Amendment No. 1
15 FR 9433	12/30/50	Amendment No. 2
16 FR 6363	6/30/51	Amendment No. 3

LAKE A - ORDER NO. 95

14 FR 3515	6/29/49	Order
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